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Nonetheless, the basic prerequisite for plan fulfillment in 1952 is an increase of 3,300,000 tons in coal production as compared with 1951. Petroleum production was also below plan requirements until the last quarter of 1951.

It is particularly important for the ferrous metallurgical industries to fulfill their plans not only as a whole, but in every detail this year. This applies to other industries as well; light industry, for example, must produce not what it pleases, but what the plan prescribes. The 1952 plan requires the expansion and acceleration of nonferrous metallurgy, the aluminum industry, electric power production, and the building materials industry.

The manufacturing industry must produce 25 percent more this year than in 1951. Since many of industry's readily accessible reserves have been exhausted, the 25-percent increase will not be easy to achieve.

The current year is the crucial period in the Five-Year Plan, because it will entail the maximum in effort and investment. Economists and party organizations must, therefore, pay special attention to utilizing production equipment better and maintaining a more uniform rate of production, strengthening work discipline, ensuring manpower, reducing production costs, improving quality of products, and raising the standards of management.

#### Better Utilization of Production Equipment

Production equipment can be utilized best when the progressive rise in production rate called for by the 10-day plans is realized. However, there are branches of industry where the production rate must be set daily and even hourly. This year, every industry must operate at a steadily mounting, planned production rate. This will eliminate waste of manpower and equipment caused until now by production lags during the first 10 days of the month and rush work involving overtime during the last 10 days.

Enterprises engaged in mass production, such as the coal mining and machinery industries, should organize a production department to modernize production management.

The sooner the bulk of the manufacturing industry adopts cyclical production and accelerated operating methods, the more rapidly and economically it will produce. Ferrous metallurgy, in particular, will have to use accelerated operating methods more extensively to fulfill its 1952 plan. At present, the metallurgical works at Diosgyor and Ozd lose 20-50 percent of their working time and roll only 35 tons of steel per hour, whereas steel mills in the Soviet Union, using the same type of rolling equipment, plus accelerated operating methods, roll 45 tons of steel per hour. Accelerated operating methods increased production when they were adopted by the glass industry in the form of the Solinov movement, and by railroad bridge manufacturers in the form of the Kovalyov movement.

The few statistics derived from experimentation with cyclical production methods in coal mining show that little progress has been made in this field up to now.

Trade unions and party organs must intensify work competition in 1952. Work competition is conducted on the basis of the 1952 plan for the whole year, and for each month and quarter year. Every industry, industrial branch, and shop competes for the pennants awarded by the Trade Union Council and the Council of Ministers.

Industry must economize in investments authorized for 1952 - 1953 so that financial resources can be concentrated on getting major projects on an operating basis.

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Strengthening Discipline

Work, wage, and plan discipline must be strengthened in 1952. The decree of the Council of Ministers which states that norms must be adjusted wherever production conditions change -- through installation of time-and labor-saving devices or systems -- must be strictly adhered to. At present, norm adjustment is rare, and its omission constitutes a common and serious breach of wage discipline. To ensure plan discipline, more stringent regulations must be applied to loafers, absentees, and workers who quit their jobs without permission.

Enterprises and managers will be held responsible for every failure in plan fulfillment and for neglecting to prosecute breaches of wage and work discipline in 1952. However, industry has a right to expect that plans, once formulated, will not be constantly amended. Repetition of plan slackening, through ministerial reduction of monthly production plans and increase of wage plans, will not be tolerated this year.

Ensuring Manpower

Manpower shortage in agriculture, industry, and transportation was a major problem in 1951. Steps must be taken now to prevent its recurrence in 1952. Industry can do this by conducting regular and active labor recruitment drives, by transferring surplus administrative personnel to the production department, and by assigning industrial apprentices to shops where they are most needed. Apprentices will be able to assume full working responsibilities sooner if the minimum age requirement is raised in training courses designed for skilled labor.

The seasonal labor effort required by agriculture makes the securing of its manpower quota the most difficult problem of 1952. Therefore, agriculture should put its harvest workers under contract well in advance, offering shares in produce as an inducement.

Reduction in Production Costs

Although the manufacturing industry as a whole apparently fulfilled its cost-reduction plan, statistics indicate that there were some serious deficiencies. Expenses were overestimated in crude oil production; costs increased and quality deteriorated in the coal production and tire manufacturing industries. In many cases, quality was allowed to drop below government standards so that reduction in production costs could be reported. When the men's clothing industry arbitrarily shortened the length of coats, it proved that false economy leads to waste, since consumers were obliged to buy oversize suits to get the required length.

Reduction of production costs can best be achieved by expedient use of production equipment, strengthening of plan and wage discipline, strict adherence to material norms, and establishment of accounting departments.

Quality of Products

It was frequently necessary to remind manufacturers in 1951 that the quality of their products must meet export standards. Complaints were also received that inferior coal was ruining the locomotives. To fulfill the plan in 1952, industry must produce not only more, but a greater variety of attractive, high-quality goods.

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Standards of Management

The concept of single responsibility in industrial management gained many adherents in 1951, helping to obviate the need for the plant triangle. Attempts to extend cost accounting and profit-and-loss record keeping to the component shops of the enterprises were only moderately successful, however.

A lack of systematic planning was observed in the advanced training of industrial management personnel. The ministries, trusts, and enterprises must unify these training programs and select managerial material with care. In the future the ministries must avoid issuing important economic and technical regulations to enterprises without first notifying the working masses and party committees.

The standards of management must be raised throughout industry if the 1952 plan is to be fulfilled. Science and technology must work in closer union to increase production. Research work in the laboratories of enterprises must be given new impetus through improved planning and advisory work. Financial management in the ministries must also receive thorough attention.

Solution of all these problems depends on realization of single responsibility from the ministries down to the brigades.

RAKOSI HITS SLACK DISCIPLINE, POOR QUALITY -- Szabad Nep, 15 Jan 52

Highlights of a speech by Matyas Rakosi, which followed Gero's speech at the 12 January 1952 meeting of the Central Committee of the Hungarian Workers Party, are as follows:

Complaints about slack work discipline are heard daily from the managements, but the managements themselves still deal too leniently with absentees and loafers, because they fear that strictness would have an unfavorable effect on production. All evidence, however, points to the contrary. Failure to penalize slackers merely leads to further abuses of work and wage discipline, whereas the new decree which legalized management's disciplinary authority in such instances has already had a salutary effect on production. Unless the managements enforce the decree enacted to help them, no improvement in discipline can be expected.

A similar situation prevails in the question of manpower shortage. The loudest complaints come from the coal mining industry, yet it is well known that new workers recruited especially for the mines are neglected to such an extent that they eventually fall under the influence of the enemy and leave. Young workers and women are treated similarly. Recently, even graduates of government retraining courses have been sent from shop to shop or used for unskilled labor. The situation is serious and must be remedied immediately. It is also essential that the 100,000-200,000 new workers hired annually by industry should be trained in safety regulations, because the frequency of accidents makes labor increasingly reluctant to serve in industry.

The poor quality of industrial products is a matter of grave concern. It has become common practice for manufacturers to neglect products which require careful workmanship and to exceed the plan in easily manufactured items. So much time is consumed in repairing inferior products that many managers either refuse to accept orders calling for precision work or, in the case of export goods, do not complete the order on time. More and more goods are being rejected because of defects. The gravest consequence is that export orders for precision instruments have been canceled. This means, of course, that unless quality is improved, Hungary will be unable to import raw materials and machinery vital to the national economy.

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There is still evidence of a lack of cooperation between workers and technicians, particularly in the coal mining industry. Reports that much of the new machinery is idle most of the time, because the miners have not been taught to operate it, show that fuller cooperation is essential here. Inspection committees touring the shops have often found the chief engineer absent from his post.

The party organizations have assumed wider responsibilities in the economic field. Economic leadership, however, should not make the party entirely responsible for production results. Responsibility must be shared. The statement that good production results reflect competent party work should be modified to read: Production results reflect the degree of cooperation between party organizations and the economic branches.

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